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## **Commentary Series**

### **Subsidised Nursery Places: A route to employment in Lea Bridge**

**Hywell Dinsdale and Emma Ahmad**

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Centre for Institutional Studies  
University of East London

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The Urban Regeneration Team is multidisciplinary, and consists of researchers from a variety of academic backgrounds, including social sciences, criminology, environmental science and economics. In this way they are well suited to evaluate urban regeneration programmes which typically cover a wide range of projects, objectives and focuses.

## **ACKNOWLEDGEMENTS**

We would like to thank all the parents and the project and programme staff who participated in the interviews used in this evaluation.

**Hywell Dinsdale**  
**Emma Ahmad**

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## **EXECUTIVE SUMMARY**

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### **Introduction**

This report reviews findings on the Lea Bridge Gateway Single Regeneration Budget Targeted Nursery Childcare Project, which ran for the five year duration of the SRB programme from 1996 under the strategic objective of 'investing in people'.

The SRB supported a private company to open a nursery, with the guarantee of thirty subsidised places per year. The project aimed to provide a long-term facility, targeted at the most disadvantaged people in the area.

Many parents in the Lea Bridge area are at risk of falling into this 'poverty trap', due to a lack of affordable childcare. At the time of the delivery plan, ten per cent of those in the area who were earning received less than £151 per week. The area had high unemployment, around 16 per cent. Amongst people from ethnic minorities, around 40 per cent of the population, unemployment reached 35 per cent.

Training and education levels were generally low, and the proportion of small employers increasing. Additionally, there were reported to be 13 childcare places for a population of over 5,000, at an average cost of £90.

The nursery was well run, but closed without warning in January 2000. Council attempts to introduce new management were thwarted by a legal debate around ownership of the building. Overall, the scheme provided 124 year long childcare placements.

Attempts were made to interview the 65 parents who benefited from the scheme. The project is reviewed in terms of targeting, quality, impact and sustainability, through analysis of local statistics and a survey of twenty-one parents.

### **Targeting**

The project set out to provide services for the most disadvantaged. Initial consideration of the information provided by those interviewed suggests that the project did reach people with a particular need for assistance. However, further analysis suggests that the project may not have reached some of the most disadvantaged members of the community. A survey of those not reached by the project was beyond the scope of this evaluation.

The project appears targeted towards those from ethnic minorities, with low, often single incomes. Nearly three quarters of our sample (n=65) were from ethnic minority

communities. Sixty two per cent of the sample had more than one child to be cared for. The majority of parents reported their household income as below the threshold for the subsidy. Fifty seven per cent of the parents lived alone or without a partner.

Two parents reported their household income as above the threshold for the subsidy. Some parents were found to be receiving more than one set of subsidies, such as the Nursery Voucher system and the SRB subsidy.

The interviews did provide some indication that those reached may not have been the most disadvantaged. For example, the most common accommodation type reported was owner-occupied, which accounted for 57 per cent of the sample (twelve persons). Five parents (24 per cent) lived in council accommodation. Also, 95 per cent held at least GCSE level qualifications, and 66 per cent were qualified beyond this level.

Also the project stipulated that places would only go to those already in work or training. This guideline seemed to contradict the project's aim to reach the most disadvantaged individuals. Waiting times of up to eight weeks for places may have prevented unemployed parents from securing work before applying for the subsidy. Despite the guideline, four people who received subsidies were neither in work or training at the time.

The application process did not ask about type of housing, other subsidies, partners' incomes. Twenty parents felt it was straightforward.

Most parents heard about the scheme from the nursery itself, with a few hearing of the scheme through employers and friends. Leaflets, newsletters and newspaper advertisements were noticed by a few. Improved advertising and increased applications would allow more scope for effective targeting.

## **Quality**

The general standard of care of the nursery was good. Most parents were happy with the nursery facilities, with 14 (66 per cent) feeling they were good or very good. The vast majority of parents were happy or very happy with the ability of staff at the nursery their child attended.

The majority of parents were happy or very happy with the health and safety aspects of the nursery. Five parents (24 per cent) expressed concerns. The lack of a playground, poor ventilation and the lack of windows were the main complaints.

Sixty two per cent were affected by the sudden closure of the Nursery. Forty six per cent had difficulty finding an alternative, and a number perceived a lack of council assistance and warning about the closure.

## **Impact**

### *Changes in personal circumstances*

Thirteen (61 per cent) reported that, before the subsidy, childcare had been a barrier to getting or keeping a job. Ten (48 per cent) were prevented from training or further education in the past by childcare constraints. Of the twelve who worked eight (66 per cent) said they would not have been able to without the subsidy.

On an individual level the project was felt to have assisted with increasing household income. Parents have moved into employment, again with a high proportion reporting that the project helped their job prospects. Just under half received training while receiving the subsidy.

Since using the subsidised place there has been an increase in the number of parents in employment, from twelve to fifteen. The number looking for work has also fallen slightly, from three to two. In addition, some of the local people who benefited through 15 jobs created at the nursery, used their skills to continue working in childcare after the closure of the nursery.

Of the twelve parents who were working at the start of the subsidy, nine (75 per cent) were still working for the same company at the time of the interview. Three (25 per cent) had changed jobs during this time. This suggests the subsidised places have had an impact on parents' ability to sustain a job alongside the demands of parenting.

Before receiving the subsidy, eight of the twelve working parents (67 per cent) worked in Lea Bridge. After the subsidy only two parents from the fifteen working parents were employed in the area (13 per cent). This suggests that parents have gained skills and moved out of the area to work, which means that the anticipated benefit to local business were not realised.

Whilst on the scheme, nine parents (43 per cent) undertook training or further education. Five did this whilst working, whereas four took part in full time training. Most of this was vocational, and parents had already seen, or anticipated, employment-related benefits.

Nineteen parents (90 per cent) felt the project had, or would eventually have, helped them to increase household income. Of seventeen parents who provided income data, thirteen (76 per cent) had seen their household income rise since using the scheme. No parents reported a fall in household income. The spread of household incomes also reduced over this time period. This finding is pertinent to economic growth and regeneration initiatives in both Lea Bridge and East London.

### *Economic and social changes in the area*

In terms of finding new work, only three parents interviewed were in new employment since the start of the programme. Such small changes, with only 60 families affected by the project, suggest little impact on overall levels of unemployment in the area.

With respect to training the effect on the skill levels of the local population of 5,000 individuals would be limited even if all of those reached had received training.

Since being granted the subsidised places, 43 per cent of the employees have received training, the number in employment has increased, and household incomes have also risen. Although the SRB funded nursery subsidy aimed to have this effect, it may not necessarily be the sole cause.

### **Sustainability**

In terms of sustainability, the project has failed to provide a long term childcare facility in the area, and phased out places have not been replaced by alternative subsidies. There remains a need for low cost, high quality childcare in the area, however.

An alternative approach to providing affordable childcare places could have been to provide or subsidise the rent on a nursery property to an appropriate provider on the condition that the cost saving was passed on to parents. Rates could be varied according to circumstances, the capital investment could be retained and a contractor failing to perform could be replaced with fewer problems.

Future childcare developments should consider providing a lasting childcare facility that would provide benefits beyond the project's duration. Targeted benefits could be distributed through this facility. Individuals without employment could be given a 'ticket' to childcare to hold while seeking work, helping them to secure employment.

Central government's Working Families' Tax Credit, may reduce the need for nursery vouchers. However, parents had very little knowledge of these benefits.



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## 1 INTRODUCTION AND BACKGROUND

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The Urban Regeneration Evaluation team at the Centre for Institutional Studies (CIS), at the University of East London (UEL), was commissioned by the Lea Bridge Gateway Single Regeneration Budget (SRB) Partnership to undertake an independent assessment of the Targeted Nursery Childcare Project.

This project works within the strategic objective of the programme of 'investing in people'. This objective was outlined in the delivery plan as:

*'Enabling...[local people]...to access the improved facilities and opportunities in the area and helping them take control of their environment.'*

The project itself was also outlined in the delivery plan:

*'The targeted childcare project will support existing business and employees and enable local people to access employment and job opportunities. A new 40 place nursery will be provided in partnership with the private sector.....Assistance in the form of subsidised childcare will be targeted at single parents and ethnic minorities to reduce the disproportionate unemployment levels in these sections of the community.'*

This research assesses the need for this subsidised childcare and looks at the wider context of childcare provision and subsidy available nationally. It describes the nature and history of the Targeted Nursery Childcare Project and presents the findings from interviews with 21 parents who have used the subsidy. The evaluation assesses the impact of the project in terms of improving the economic position of those using the SRB funded Nursery support.

### 1.1 The national picture

The need for more subsidised childcare in the UK is well documented, and is widely acknowledged in government literature. Many children in the UK are brought up in relative poverty due to the fact that parents cannot find affordable childcare and cannot get back to work.

#### The size of the problem

Middleton et al. (1997) calculated that one in ten children would be defined as 'poor', and one in 30 as 'severely poor', as their parents were unable to afford at least three things most families take for granted such as three meals a day or a bed of their own. Many of these families survive solely on benefits, with the Home Office estimating that:

*'.....nearly three million children are being brought up in households where no-one works'* (Home Office 2001).

Single parents head a large number of these households. Government statistics show that in 1999 there were 1.7 million lone parent families in Britain, 60 per cent of which survived on Income Support. This equates to 1.8 million children living on Income Support and 30 per cent of all children living in households with below half average income (Willems and Hillam 2000).

Despite this current reliance on benefits, the then Department for Education and Employment estimated that 88 per cent of lone mothers on income support wished to return to work (ENGENDER 1997). Bryson et al. (1997) also reports little evidence that lone parents wished to remain on Income Support.

### **The role of childcare**

Bradshaw et al. (1996) found that the key factor affecting lone mothers' employment in the UK was the very high level of childcare costs. Many of these parents have lack of qualifications and training (Bryson et al. 1997) which limits their employment prospects. As a result, when they do find employment, this tends to be poorly paid, and as a result they often earn little more than the childcare costs required to remain in work.

### **Provision of childcare in the UK**

The UK has a particular shortage of suitable and affordable childcare provision and this plays an important role in keeping families with children in poverty on income support. Harker (2000) states that:

*'...by the 1990s the UK had the lowest level of publicly funded childcare for the under 3's in the European Union, and one of the lowest levels for 3-6 year olds'.*

Currently only two per cent of children under three years old have access to publicly funded childcare in the UK. Private companies in the UK provide few childcare facilities, with only four per cent of UK firms with 25 or more employees offering childcare facilities (Workplace Employee Relations Survey, 1998). In addition, whilst demand for childcare has been growing, provision in public sector nurseries has declined to almost half the level of ten years ago (Harker 2000).

The shift from public to private childcare provision has had an impact on the cost of childcare. As a result parents in the UK have been found to pay the most for childcare out of a sample of nineteen other industrialised countries (Bradshaw et al. 1996). This aggravates the poverty trap for lone and low-income parents. Average childcare costs

in the UK in 1998 are shown in the table below, but these are likely to be considerably higher with three years since publication:

<b>Average weekly childcare costs for a child in the UK</b>	
Child minder for a pre school child:	£50-£100
Private Nursery:	£70-£180
Out of School Club:	£15-£30
Holiday Play Scheme:	£50-£80

(Source: DAYCARE Trust, quoted in the Guardian 11/03/98)

### **Government strategy**

The Home Secretary has accepted that these costs create a significant barrier to returning to work, saying in his speech at the launch of the Lords and Commons Family Protection Group Report on 23<sup>rd</sup> July 1998 that the government was:

*'...determined to tackle the employment trap which means that some families on benefits are better off than those in work'.*

The Home Office website in 2001 still carries this message, reporting that the government is:

*'....determined to make work pay, and to ensure that no parents are unable to take up work because of the lack of affordable childcare'.*

It is not just the Home Office who show concern about the problems of childcare and employment. The Department of Trade and Industry's website in 2001 stresses that the UK's competitiveness depends on:

*'...making the best use of the talents of as many people as possible'.*

In order to achieve this, it highlights the need to:

*'.....ensure that as many people as possible who want to work should have the chance to do so'.*

This example shows the wider benefits to the economy of helping parents back into work.

### **Current government provision**

Provision of affordable childcare and childcare subsidy stops this disincentive preventing parents in low-income families from returning to the workplace. In

recognition of this central governments have pushed a number of initiatives to provide this.

The previous government provided two means of provision, the Nursery Vouchers scheme (which was withdrawn shortly after the SRB project started) and Family Credit. This was replaced in 1999 by the new government's Working Families Tax Credit, which was administered through the Inland revenue and delivered as a tax credit in the pay packet.

Whilst this does provide some assistance, this can still only pay up to 70 per cent of childcare costs, and is only available for a period of up to 26 weeks. For parents earning around £151 per week (equivalent to 41 hours at the current minimum wage of £3.70), and facing childcare costs of over £100 per week, there is little reason to take up a job. If they do so this will be unsustainable after six months when their net income would be likely to fall below the level they could achieve on benefits alone.

In May 1998 the government issued a Green Paper proposing three steps towards a National Childcare Strategy for children aged 0-14. This included, raising the quality of care, making childcare more affordable and making childcare more accessible by increasing places & improving information. This also stated that:

*'.....it is not for the government to fund such places in their entirety'.*

Other new initiatives encourage lone parents to get back to work. The New Deal for Lone Parents includes in-work benefits and helps participants to find out about childcare. Whilst such assistance is of benefit, it is clear that such initiatives require an increased level of affordable childcare provision. Often parents know where childcare is available, but find this to be too expensive to be useful. Harker (2000) states that:

*'The success of many of the government's initiatives, including New Deal for Lone Parents...depends on there being an increase in the level of childcare provision'.*

## **1.2 Lea Bridge**

The Lea Bridge area contains many parents at risk of falling into this poverty trap as a result of childcare. No precise figures are available to estimate the number of parents at risk in the area at the time of the project's launch, but the characteristics of the area do suggest this would be high.

It is known that, at the time of the delivery plan, ten per cent of those earning a wage in the area were earning less than £151 per week. At this time there were reported to be only 13 childcare places for a population of over 5,000, with an average cost of £90 these places were too expensive for the majority of the local workforce anyway.

The area also had high rates of unemployment, at around 16 per cent overall. Although for females this figure was considerably lower at nine per cent, it is likely that a good proportion of this consisted of parents unable to work due to childcare responsibilities. The proportion of ethnic minority groups in the area was also high at 40 per cent, and amongst this group the level of unemployment was known to reach 35 per cent. Levels of training and education were also known to be low in the area, another risk factor for this poverty trap. It is also known that the area has a large proportion of small employers, which are less likely to provide any form of childcare for their employees.

The childcare situation appears to be still in a similar state to that in 1996, and this was highlighted by observations during the research period. A number of parents commented that some families keep older children from school to look after pre-school children whilst they are at work, and the researchers saw evidence of this on more than one occasion during their visits to the area.

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## **2 THE TARGETED NURSERY CHILDCARE PROJECT**

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Having identified a need for this project in the Lea Bridge area, the SRB funded targeted nursery places were proposed as a solution to the problem. By supporting a private company to open a nursery, with the guarantee of thirty paid up places per year, the project aimed to provide a long-term facility for the area.

The council administered the distribution of subsidies, targeted by means of an application form monitoring household earnings, occupation and whether family credit was being claimed. Families with one child could earn a net household income of up to £172 to be eligible for the subsidy, but this figure rose to a maximum of £225 for families with four children. In order to gain the subsidy, parents would need to demonstrate that they were working or living in the area, and that they were in paid employment or a trainee or student attending a vocational course. Supporting documentation, such as wage slips or a grant notice were required along with the application to the project.

If awarded these subsidies would last for two years. In the first year full childcare costs would be covered. In the second year childcare would be paid at a rate of 50 per cent, with parents covering the other 50 per cent. The concept behind this decrease was that parents would need the full subsidy on the first year, in order to get established in work or to complete training. They then could start to contribute in the second year as their earnings increased, and eventually take on full responsibility for payment by the third year.

The project anticipated that it would provide 20 subsidised places in the first year, and then 30 in the years after this, with a gradual decline in year five as parents reached the end of their two-year assistance.

### **Use of private service providers**

At the time of the project, and in line with the governmental trend towards public/private partnerships, the SRB board decided to use a private operator to run the nursery. This organisation, Nashluck Ltd, who's track record in the area was in housing rather than in Nursery provision, would own and run the nursery, but would receive money monthly from the council to cover the cost of the nursery places.

During the course of the project there were some changes within Nashluck Ltd, and the nursery was renamed Bright Stars during the early years of the programme. The nursery appeared to be well run. However, it had just been visited by a delegation from the Government Office for London and received planning permission to extend, when without warning it failed to reopen in January 2000. Despite attempts by the

council to move new management into the building and to continue the nursery, due to legal debate surrounding the ownership of the building, this proved impossible and parents were advised to find alternative childcare, which the council would continue to subsidise.

### **Anticipated benefits**

The impact the targeted childcare hoped to achieve can be divided into two categories; benefits for the area as a whole and benefits for the individual.

#### *Benefits for the area*

The primary benefit for the area was to be the increased childcare provision offered by Bright Stars nursery. As this was intended to continue beyond the expiry of the five-year subsidy, this would have long term effects on the local situation. Clearly with the early closure of the nursery these benefits were not fully realised.

Secondly Nashluck intended to offer employment and training to local people who would then staff the nursery. Some local people benefited from this, with 15 jobs created through the nursery, and some continue to do so as the staff who had been trained by Nashluck were able to use their skills to continue working in childcare after the nursery closed down.

Thirdly, through training and increased access to job opportunities, the project hoped to have an impact on the high levels of local unemployment. With this training local people would hopefully access better jobs, helping alleviate poverty in the area and bringing more money into the local economy.

#### *Individual benefits*

Benefits for the individuals accessing the scheme would include improved job security, improved job prospects, an increase in household income, and an opportunity to access training and education. The provision of better quality childcare was also a secondary consideration, to reduce the reliance on unqualified childminders such as family and friends.

### **Project outputs**

Over the five years it was operational the project has provided 124 childcare years of placements. Due to the monitoring data kept by the project it is not possible to ascertain how many individual parents benefited as a result of this provision, or the



ethnic origin of these parents. Observations by the SRB the programme manager suggest that a high proportion of both the nursery staff and the children attending the project were from minority ethnic groups. This is supported by our sample, where nearly 75 per cent of parents interviewed were from such communities.

Some parents used the project for two years, others for only one, and some parents used the project for more than one child. It is estimated that around 60 parents benefited from the scheme overall.

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### **3 RESEARCH METHOD**

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This research focuses primarily on the benefits to the individual. It would not be possible to detect changes on a larger scale due to the small total number of parents accessing the scheme and the variety within this group. Parents using the project came from a variety of different areas, and there was great variation in terms of circumstances, for example whether or not they were employed. As a result there is no suitable baseline data which relates to this whole group.

#### **Baseline data**

Over the five years it was operational the project provided 124 year long subsidised childcare places. Most parents accessed this for two years, and some had the subsidy for more than one child. As a result we can conclude that around 60 different parents accessed the project. Of these a number were employed already so any impact on local unemployment would be slight, even if all those who initially were not working found jobs. Similarly those who trained undertook a wide variety of courses, from full degrees to NVQ qualifications. As a result any increase in local skill levels which resulted would not come through in data for just NVQ passes or similar figures.

#### **Individual data**

The evaluation method consisted of interviews with parents who used the project. The contact details as obtained by the council consisted of several lists of names, some with places listed by parent, others by child's name. These contained an incomplete assortment of phone numbers and addresses. As a result researchers were unable to ascertain exactly how many parents' were on the contact list, though 61 possible contacts were compiled from the council's list. On a number of occasions what initially appeared to be two separate contacts were found to relate to the same parent.

As a result those parents for whom postal details were available were written to requesting an interview. Only two parents responded to this request, despite over thirty letters being sent out. As a second approach researchers made phone calls to all parents for whom contact numbers could be obtained, and followed these up with door to door calls.

All addresses and phone numbers were attempted at least twice, with those in the Lea Bridge area tried four or five times. The researchers tried to vary the time of day that calls were made, so that those parents who worked, or who were out in the evenings, could all be reached. Thirteen families were confirmed to have moved, but a

proportion of those who could not be contacted may well have also relocated. Where new residents were found at an address researchers inquired after forwarding addresses or other new contact details, and these leads were also pursued.

Using this approach the researchers were able to contact 21 parents for interview. No parents who were tracked down refused to be interviewed. Interviews were conducted face to face where possible, and consisted of a structured questionnaire, with extended discussion on any points of interest raised. If a parent was reluctant to spare the time for a face to face interview, they were offered the opportunity to conduct the interview over the phone, at the researcher's expense. Eight interviews were conducted over the telephone, with the rest being completed face to face with parents. The basic questionnaire could be completed in approximately 20 minutes but with some parents the interview lasted up to one hour, if that individual was keen to engage in a less formal discussion of childcare in the area.

The interview covered occupation, training and childcare before, during and after using the subsidised place. Household income was also requested for before and after using the subsidised place, and parents were asked to give their opinions on the standard of childcare provided at the nursery used by the project. Additional information was also collected, such as the characteristics of those interviewed, how they heard about the scheme, and some more general questions about their opinions of Lea Bridge for use in the programme evaluation of the Lea Bridge Gateway SRB.

It is known that during interviews of this kind the interviewee will often give the answers that they feel the researcher wishes to hear. This is especially the case where they feel the researcher is linked to a project or service they have used and benefited from. During the interviews the researchers stressed the independent nature of the research, in order to reduce the possibility of this response bias.

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## 4 RESULTS

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This section presents the results from the 21 interviews with parents who used the subsidy. Firstly the characteristics of the sample are discussed, with an assessment of the success of the targeting of the project. Secondly parents' opinions on the standard of childcare provided are presented, and thirdly changes in occupation, household income and training received are described. Finally parents' views on the usefulness of the childcare subsidy are examined.

As little is known about the parents who were not interviewed, the extent to which the sample is representative cannot be determined. Whilst it is possible that those parents whom researchers were unable to contact may differ from those interviewed, this research must assume that these differences would balance out. For example, some families may have had to move due to financial difficulties, whilst others may have moved out of the area as they began to earn more money and wished to move to larger accommodation.

### 4.1 Characteristics of the sample

#### Gender

The twenty-one interviews conducted consisted of two males and nineteen females. Unsurprisingly the majority of respondents were female as the contact list obtained from the council contained the names of mothers and not often fathers. In other cases researchers contacted a household where both parents' names or just the child's name was given, but even in these cases the mother tended to volunteer to answer questions.

The initial project appraisal form stated that:

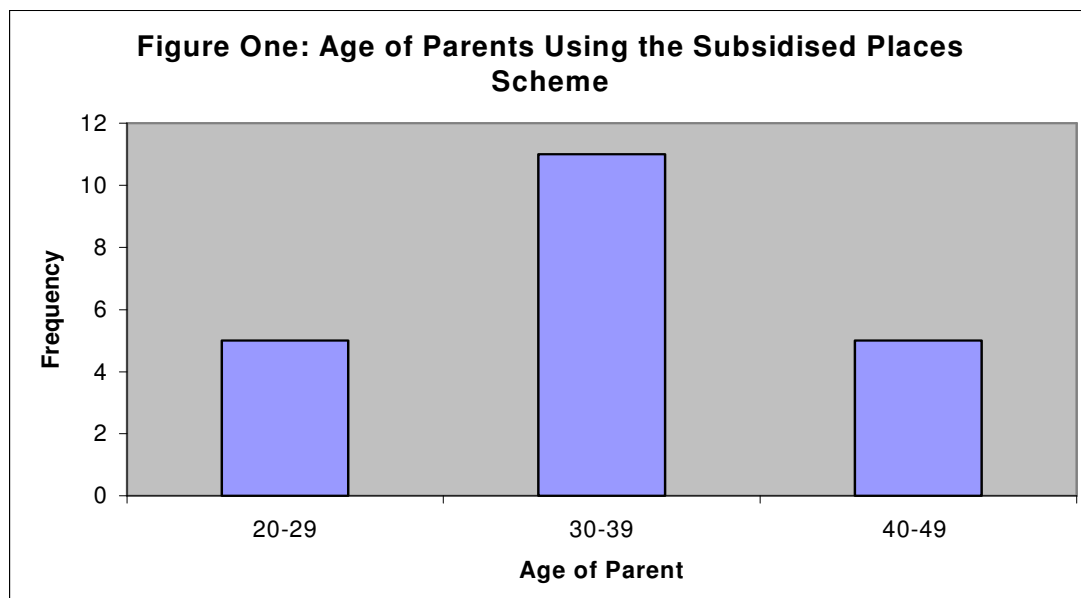
*'The majority of recipients of the scheme are likely to be women with young children.'*

In addition it is known that the childcare 'poverty trap' affects young women more than men as they are more commonly left with the responsibility for children. This gender bias in the sample is probably representative of an overall bias in the gender of those receiving the childcare subsidy, but is expected to be due to the selection procedure for the project.

## Age

The chart below shows, the majority of those interviewed were aged between 30 and 39. Nobody interviewed was over 49 or under 20 years of age. This finding suggests that the age of parents using the subsidised nursery places follows a fairly normal distribution around an average age of between 30 and 39.

This is in line with the average age for childbirth in the UK, which the Office of National Statistics now believes to have reached 30 for the first time (a previous high of 29.3 being reached during the Second World War). Given that children using the subsidised places are likely to be a year or two old an average age of mothers between 30 and 39 is to be expected.



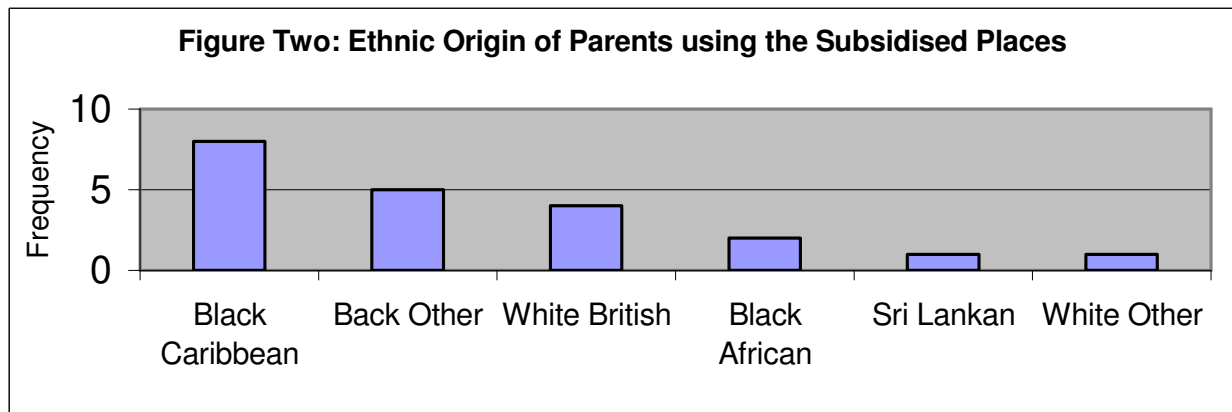
## Ethnic breakdown

In line with SRB guidelines the project needed to ensure that ethnic minority groups in the area benefited from this initiative. As figure two (overleaf) shows, nearly three quarters of our sample were from such communities.

This finding suggests that the project was well used by ethnic groups in the area, and thus it appears to have provided an inclusive and accessible service to all those who work and live in Lea Bridge, regardless of ethnicity. This sample provides evidence that the project met its aim to:

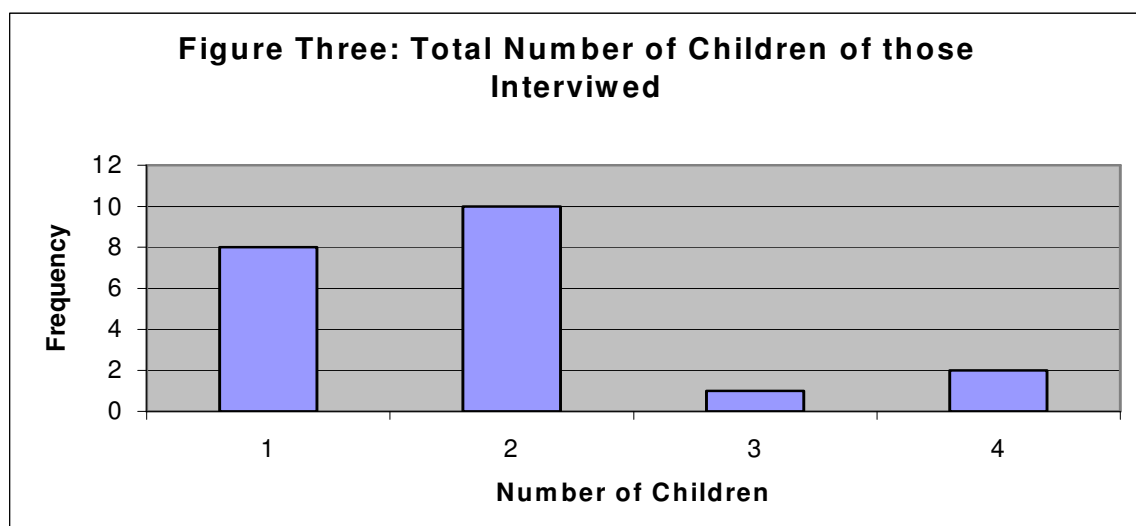
*'..favour black and ethnic minorities who are in general more socially and economically disadvantaged' (Project Appraisal Document).*

Unfortunately the proportion of childcare places awarded to ethnic minority families was not recorded for the project, and so the extent to which this represents overall uptake of the project cannot be tested.



### Number of children

Figure three shows the number of children in the families of the parents using the subsidised places. This graph shows that 62 per cent of the sample had more than one child to be cared for, which clearly leads to an increase in childcare costs. Parents with more than one child can find childcare to be an even greater barrier to returning to work.



## 4.2 How well targeted was the childcare?

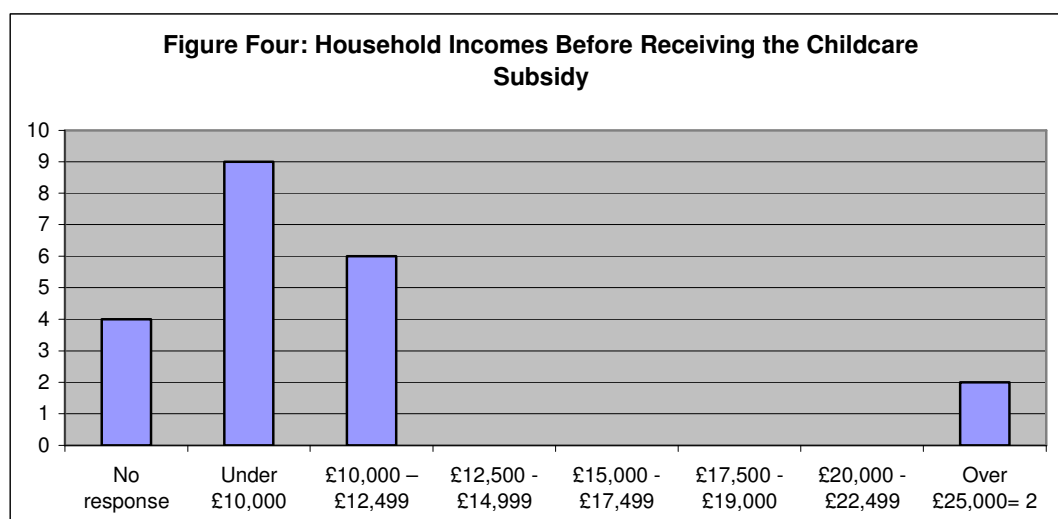
Other characteristics of the sample were collected during the interviews to enable further evaluation of the extent to which the project successfully 'targeted' the subsidised places onto those most at risk and those who would benefit most from this intervention. A number of factors can be used to test this, and these are examined in turn below:

### Household income

The principle means of targeting parents for the project was their household income at the time of applying for the subsidy. This was used to give an indication of wealth, with applicants providing wage slips as proof of earnings. This check was one way the project sought to:

*'discriminate in favour of families on low income and in an area which is socially disadvantaged'.*

Two problems arise with the use of this data. Firstly, as it is not possible to collect any verifiable evidence of household income we must rely on the memory of those interviewed, even though this may be over a five-year period. Secondly, as parents knew the maximum limit to receive the subsidy, anyone who withheld information to get the subsidy is likely to do the same again to the researchers (despite the promise of confidentiality). Figure four shows the reported household incomes before the subsidy:



As this graph shows, the majority of parents report that their household income was below the threshold for the subsidised place, and so if we trust these self-reported figures it appears on the whole low income families were indeed being helped.

Four interviewees did not give details of their initial income, in some cases this was as they could not remember, but in others it was possibly due to a reluctance to divulge their earnings to the researchers.

In addition two interviewees reported that their household income was well above the threshold for the subsidy, and it appears two parents were able to access the subsidy somewhat unfairly. A number of reasons may explain how these slipped through the safety net of the council checks. One possibility is that these parents may have neglected to mention the income of their partner, in order to gain the subsidy. Although the application form does ask about the 'net weekly income coming into the home', this perhaps did not make it quite clear enough that partner's income, or other income such as a financial contribution from an absent parent, should be included.

Another view might be that some parents deliberately misled the council to get the subsidy. Although no one interviewed for the study admitted to doing such, the application process was described as being 'too easy' by one of the parents. Even though six monthly checks were conducted to ensure personal circumstances had not changed, it could still be very easy, especially for unmarried parents, to simply not admit to the existence of a partner or their income.

Although this problem appears in 10 per cent of the sample, it is possible that further cases are hidden within the four 'don't know' responses, or that others in the sample are deliberately underreporting their initial household income. Although it is difficult to see ways round this problem, ensuring the subsidy is only awarded to those who had very low household incomes was essential to ensure the project was targeted as intended.

It may be that application forms for a project such as this could, in future, contain a question about the marital status and domestic arrangements of the applicant (i.e. whether they live with a partner). The question could then ask for each income separately. Another useful addition could prove to be the addition of a section for the parent to sign to confirm all information is correct. Although this may only have a small effect, it may give greater potential for redress should the details given prove to be incorrect at a later date.

### **Proportion of single parents**

It is known that single parents suffer badly from problems with childcare. This is both due to the single income to support the family, and due to the lack of two partners to share childminding duties.



Results from the interviews revealed that 11 of the 21 parents (52 per cent) did not presently live with another adult, whilst one lived with family members. Of the other nine parents interviewed, four lived with spouses and five with partners.

With 57 per cent of those interviewed living alone or without a partner, it does appear that the project has been helping those on single incomes, and has thus been well targeted in this respect. It is worth noting that we cannot be certain that their present situation is the same as that when they applied for the subsidy.

### **Employment and training**

When they heard about the subsidised places, 12 of the 21 interviewees (57 per cent) were already working, five (24 per cent) were training. The types of jobs being done by the parents interviewed ranged from a playworker and an agency temporary worker, to a bank clerk and a personnel manager. The training already being taken primarily consisted of degrees, long-term courses that would continue throughout the duration of the subsidy.

These findings show that those being awarded the subsidy came from a variety of situations. Interestingly the project appears to have also given subsidies to some individuals who were excluded by the guidelines, as four (19 per cent) were unemployed. One of the unemployed had been so for four years, one for two years, and one could not remember. These three were looking for work, whilst the fourth unemployed parent reported being a full time mother at the time of applying for the subsidy.

#### *Targeting of unemployed parents*

The project only intended to support individuals who were already working or training, and not to the unemployed. The fact that four interviewees (19 per cent) obtained the subsidy whilst unemployed suggest that the processes designed to target the subsidy did not function as they should. Despite this the research findings suggest that awarding some subsidies in this way was in fact a successful move. Whilst using the scheme all four of these unemployed parents were working or training, showing that when offered subsidised childcare they made full use of the opportunity.

The requirement that to get the childcare subsidy individuals need to have been already working or training does appear to have been inconsistent with the aims of the project. An individual who is out of work might find it very difficult to attend job interviews, or even to actively look for work, if they do not have childcare. Additionally, with five parents (24 per cent of our sample) reporting that they waited over eight weeks for their subsidised place, unemployed parents would not be able to

find a job and then enrol for the subsidy before starting work. A prospective employer would be unlikely to hold a job offer for two months whilst a parent waited for childcare to be approved. If the project's aim was to assist people into work or training, it should have been accessible to those parents who have to stay at home to look after their children and cannot get out to find work or to train.

This shows that, although the intention was that the childcare would be targeted solely at employed parents or those in training, the failure to keep to this target has, if anything, been beneficial for the overall aims of the project.

Removing the requirement for employment or training from the project would also have had advantages for other parents. One parent used the subsidised place whilst working as a sales assistant. This job ended and she was forced to look for another post and as she was now no longer working, she lost her subsidised place and was unable to find another job due to the problems of childcare. In this example it seems the rules on employment may have been applied too strictly. Future projects offering a similar service would benefit from offering childcare to those who are actively looking for work or who wish to register for training.

### **Educational achievements**

If the project had been successful in targeting local parents most disadvantaged in terms of education and training, we might expect a relatively low level of prior educational achievement amongst those interviewed.

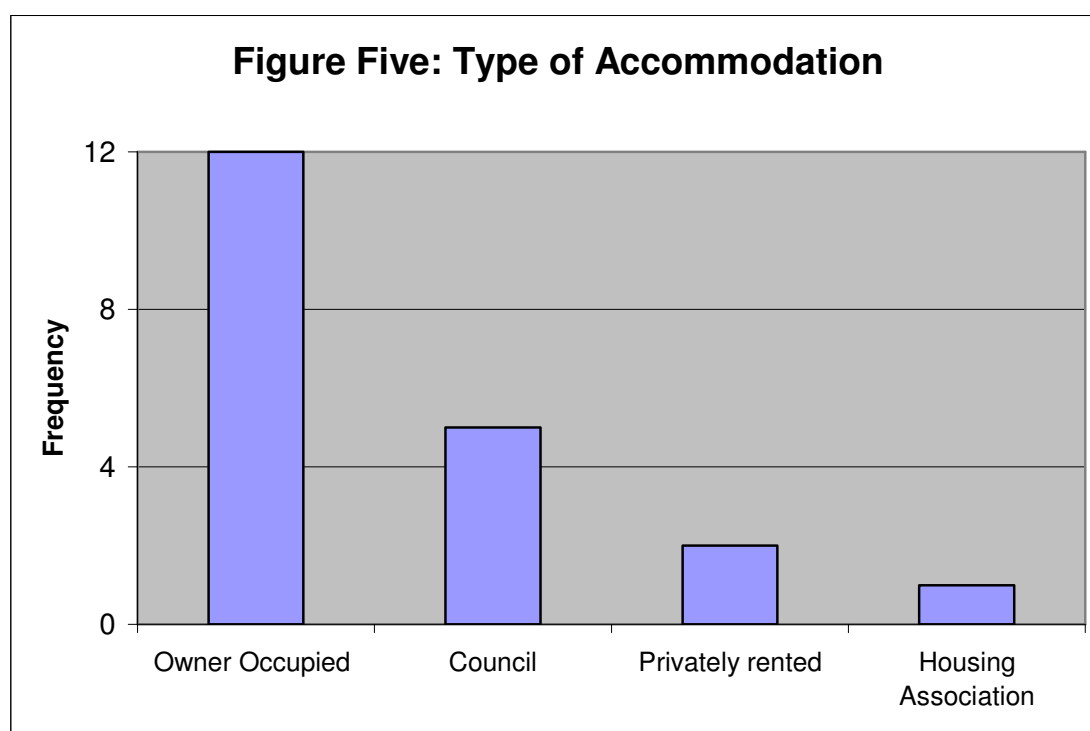
As their highest level of qualification, the most commonly reported was GCSE/O-level, held by six parents (29 per cent of parents). One parent had no qualifications at GCSE level or higher, but the remaining 14 parents (66 per cent of the sample) reported qualifications beyond GCSE including A-levels, NVQs and PGCE. Two of these parents (nine per cent) had degrees.

With 95 per cent of the sample holding at least GCSE level qualifications, and with 66 per cent qualified beyond this level, it appears that our sample was already reasonably well qualified, prior to receiving the subsidised places.

### **Type of accommodation**

The most common accommodation reported was owner-occupied dwellings, which accounted for 57 per cent of the sample (12 persons). Council-owned accommodation was the next most common, with five parents (24 per cent) living in such accommodation.

The large proportion of owner occupied housing may indicate that the families receiving the subsidy were not as disadvantaged as income data suggests. Although as the application process did not inquire about type of housing and so would not pick up this trend. It is however important to note that parents living in owner occupied houses may not necessarily be more wealthy or better able to afford childcare.



### Other forms of assistance

One other problem raised during the research was that of double subsidies being received by some parents. In the early years of the scheme there appears to have been an overlap between the Nursery Voucher system and the SRB subsidy. One parent interviewed received the full 100 per cent SRB subsidy for one year but, when she had to pay the 50 per cent contribution in the second year, was able to use Nursery Vouchers to cover the first £40. As a result she was left paying only a very small amount per week for childcare, even in the second year.

This suggests that more effort could have been made at the initial application stage to ensure that those receiving the SRB subsidy were not already receiving money from other sources. The application form asked for details of Family Credit received, but did not ask for other subsidies, which could have been useful to avoid situations such as these and to ensure the subsidy was effectively distributed.

## **Attempts to target the project:**

### *Application procedure*

The findings above paint a slightly different picture of the population than would have been anticipated. The evidence supports the project appraisal in that the subsidised places were given to families on low incomes, yet if we look at other variables, for example housing and education, these families appear to be less disadvantaged.

In order to ensure those targeted for the childcare were truly those most in need, a more probing application form could have been used. This would have enabled the subsidies to be targeted more closely to assist those most in need. As the attempt to target the population was by means of an application form which only inquired about income, it is unsurprising that the population only really seems deprived if we look at this variable alone.

Feedback from the interviews suggests that a more probing application procedure would have been acceptable to those using the project. Twenty of the 21 parents remembered their application to be straightforward (one could not remember), with no one recalling it to be intrusive or complicated. This suggests more information could have been collated, without parents feeling the procedure was intrusive or over complicated.

### *Advertising*

Findings from the interviews also suggest that better advertising may also have helped target the project to those most in need. During the interviews parents were asked how they had heard of the project. The most common source of information was the nursery itself (seven parents or 33 per cent), with three (14 per cent) hearing about the project through employers and another three (14 per cent) through friends. Promotion such as leaflets, newsletters or the newspaper were each only noticed by one or two individuals with these other methods in total accounting for eight individuals (38 per cent)

As a result of these communication patterns, nearly half of those finding out about the scheme did so through either an employer, or through calling in at the nursery. It is possible that as a result of this a large proportion of those applying to the scheme were either in work already, or felt they might be able to afford a day nursery and so they called in at Bright Stars.

Clearly increasing the number of people hearing about and applying for places on the project should enable the subsidies to be better targeted. Equally, a variety of methods of advertising would enable the project to reach a broader audience. As the

single biggest proportion discovered the childcare subsidy by chance (calling into Bright Stars) we can conclude that the promotion for the project could have been more effective, and that more effective advertising may have led to a better targeting of the subsidies available.

### **Targeting Conclusions**

Overall it appears the project did target low-income and ethnic minority families, as proposed in the project appraisals. In addition a high proportion of those interviewed were single parents, who are known to be most at risk from the childcare poverty trap.

Despite these positive findings, the sample in other ways proved to be somewhat less disadvantaged. Some parents appear to have used the subsidy despite earning well over the maximum limit, and it appears that there may have been either a problem with unreported partner incomes or with parents confusing personal and household income. In addition the high proportion who own their own home suggests that income should not be the only factor considered when targeting if the most deprived group is to be reached.

### **4.3 Parents' impressions of the childcare provider**

The service provided by the Nashluck and Bright Stars Nurseries seems to have been well received and appreciated by the parents. Overall 16 parents (76 per cent) thought the standard of Nursery provision to be good or very good, with no parents feeling that the standard of care provided was poor.

Parents were asked to comment on a number of areas of the childcare provided. These are given below, with the comments from parents:

#### **Ability of staff**

The vast majority of parents were happy or very happy with the ability of staff at the nursery their child attended. Positive comments included praise for the parents' forum where complaints and concerns could be voiced. Only two parents were unhappy, one of whom commented on the inexperience of staff, and the other on the ratio of staff to children.

#### **Health & Safety**

Again the majority of parents were happy or very happy with the health and safety aspects of the nursery. Five parents (24 per cent) expressed some concern, and two of

these described the health and safety as poor. Poor ventilation and few windows were the most common complaints received.

## **Facilities**

Again most parents were happy with the nursery facilities, with 14 (66 per cent) feeling it was good (nine parents) or very good (four parents). One parent mentioned the food at the nursery as being particularly good. The most common concern was the lack of a playground, mentioned by six (29 per cent) of parents. As a result of this the children were taken to the park to play outside. For some parents this was an adequate alternative, whereas for others this was a safety risk, as main roads had to be crossed.

## **Opening Hours**

Again, opening hours did not come in for complaint from parents. Only two described them as being slightly inconvenient, one commenting that to rush back from central London to pick up children at 6pm was difficult. Another commented that the nursery rules required that additional time must be paid for, even if the parent was only 15 minutes late to pick up their child.

## **Conclusions**

In general we can conclude that the standard of care provided through the project was good, and with few causes for concern expressed by parents.

Analysis of the reasons given by parents for stopping using the subsidised scheme shows only one parent had withdrawn their child from the nursery, in this case due to the child coming home with scratches. The fact that this mother left her other child in the same nursery suggests that this problem was related more to that individual child, and not the nursery as a whole.

Although some mothers expressed concerns about the nursery, as outlined above, the fact that 20 of the 21 mothers (95 per cent) were happy to leave their child in the placement shows that these complaints must have been considered minor.

### **4.4 Closure of Bright Stars Nursery**

Of the parents in this sample, 13 (62 per cent) were affected by the sudden closure of Bright Stars Nursery. Six of these (46 per cent) reported difficulty in finding another placement for their child, and a number commented on the perceived lack of council assistance and warning about the closure.

As a result of the closure, and the need to quickly find alternative childcare, some parents reported having to take time off work. For one parent this required two weeks off work looking for another local childcare place, and resulted in the loss of her job. Others reported other problems with the closure, such as the loss of a child's personal effects, which had been left inside the nursery, and the disturbance to the children, who needed to get used to a new environment and make new friends. Two parents also reported losing the deposits they had left at the nursery.

Unsurprisingly, given the reported shortage of local childcare, when parents did find alternative childcare this seems to have been primarily outside the Lea Bridge area. Some parents reported having to use nurseries in Hackney, and one had to make a 45 minute drive to drop their child at the new placement. As one aim of the project was to provide local childcare, to benefit those living and working in Lea Bridge, one unfortunate result of the closure of Bright Stars was to remove this localised provision.

### **The role of the council and SRB board**

Whilst these complaints of the parents must be noted, it is important to remember that the council, as the project managers, received as little notice themselves as the parents and indeed the staff of the nursery themselves. It seems no-one had any warning of the closure before finding the building locked one morning. As a result it would be unfair to criticise the council for being unable to find places immediately.

Project appraisals stated the closure of the nursery to be the only real risk to the project's successful completion. In order to minimise the effects of this, places were purchased monthly from the private nursery, thus preventing project funding being lost if the nursery did close. As a result of this precaution there was still funding remaining after the close of Bright Stars to pay for alternative childcare places for most children until the end of the programme. The project management did hope that, with the help of close monitoring, problems at the nursery could be anticipated to give advance warning of any closure, but this check seems to have failed to detect the trouble at Bright Stars

Upon hearing about the closure of the Bright Stars nursery, the council wrote to all parents to inform them of the closure, to offer an apology for the inconvenience, to offer assistance in finding new places (including a list of all other nurseries in the area), and to assure parents that funding would still be available. Despite this action a number of the parents interviewed felt that the closure had not been handled well and that the council had not communicated with them as well as should be expected. In this instance it appears that the parents may be blaming the council for a problem which really must be blamed on the Nashluck management.

## **4.5 Impact on the individual**

In order to determine the effect the subsidised places had on individuals, the parents interviewed were asked a number of questions covering their occupation and training before, during and after using the subsidised places, their household income over this period and their own perceptions of the impact of the project.

### **Occupation and employment**

When they heard about the subsidised childcare places available, 12 parents in the sample were already working. Five were already undergoing training, and four were unemployed. Whilst using the childcare places 12 worked, five worked and trained at once, and four were involved in full time training. At the time of the interviews, 15 parents were working, three were in full time training, two were unemployed, and one was not working due to pregnancy (having worked whilst using the subsidised place). Figure six shows these findings:

The graph below illustrates that since using the subsidised place there has been an increase in the number of parents in employment, from 12 (57 per cent) to 15 (71 per cent). The number looking for work has also fallen slightly, from three (14 per cent) to two (ten per cent).

These figures do show a real increase in employment since using the childcare place, though the real change is shown during the period in which the parents were receiving the subsidy, when all the sample were either in employment, training or both.

Of the twelve parents who were working at the start of the subsidy, nine (75 per cent) were still working for the same company at the time of the interview. Three (25 per cent) had changed jobs during this time. This high proportion keeping their employment suggests the subsidised places have had a positive impact on parents' ability to sustain a job, despite having to combine their career with the demands of parenting.

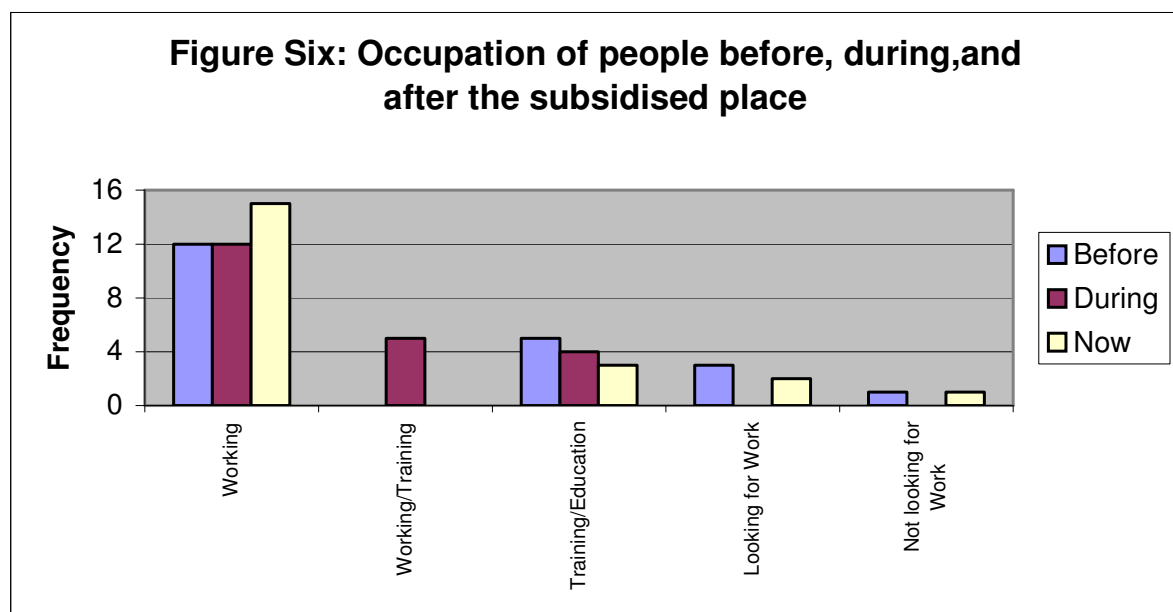
One interesting finding to emerge from the interviews was that the proportion of parents who worked within Lea Bridge declined substantially over the period covered by the research. Before receiving the subsidy, eight of the 12 parents who were in work (67 per cent) were employed within the Lea Bridge area, whilst after the subsidy only two parents from the 15 working parents were employed in the area (13 per cent). Both these two individuals were working in the area before receiving the subsidy.

This finding suggests that parents have tended to move to work outside of Lea Bridge in order to find or to stay in employment during the period the project has been active.



Whether this was a result of a lack of jobs in Lea Bridge, or whether this was a result of better paid or better quality jobs outside the area is not clear.

If parents are indeed using the childcare subsidy to get trained, but then taking their new skills out of the area to find employment, the anticipated benefits for local business would not be realised. The solution to this problem must lie in ensuring well paid local job opportunities are provided, and so are outside the remit of this project. It would be impossible for the project to have any effect on where parents choose to work, once they have received training.



## Training

As the graph of parents' occupations shows, whilst on the subsidised childcare scheme, nine parents (43 per cent) undertook training or received further education. Five did this whilst working, whereas four took part in full time training.

The types of training undertaken included an access course for a degree, an art access course, full degrees, an exercise to music class, a GNVQ in business and finance, and play manager training.

Most training undertaken was vocational, and all parents had already seen, or anticipated, employment-related benefits. Of the four who undertook full-time training, one had already found work, whereas the other three were still training, but expected to find work when they had finished the course. Of the five who worked and trained simultaneously, two reported that the training had helped them in their current

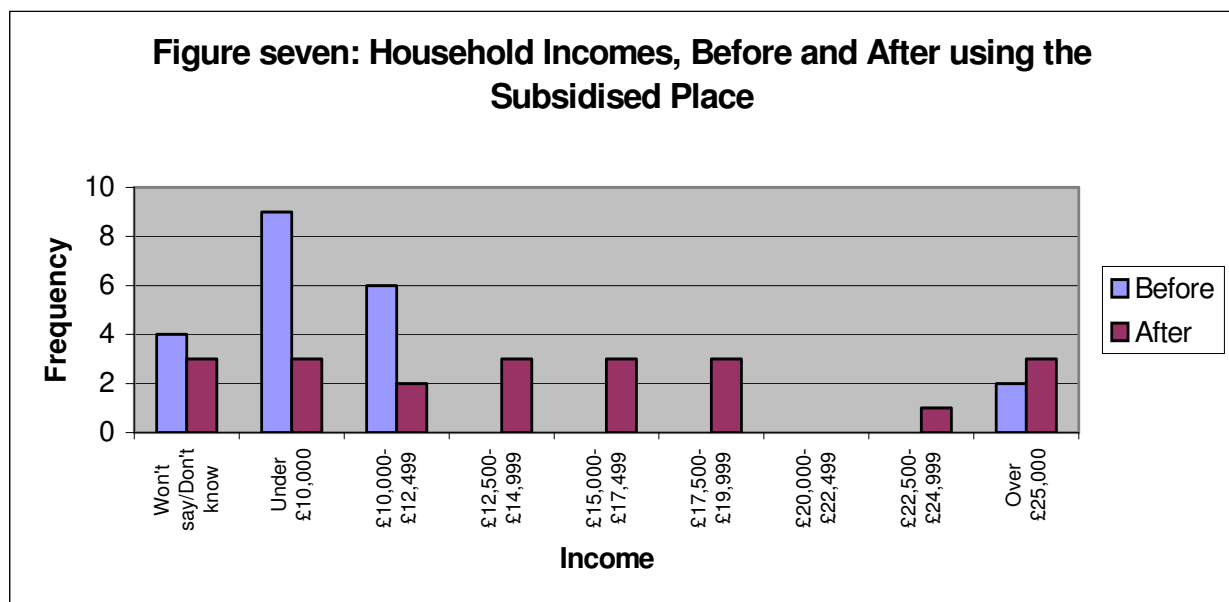
job whilst one had already found a better job as a result. Two others expected to find a better job in future as a result of the training they had received.

It is interesting to note that the subsidised childcare appears to have encouraged parents to enter into training whilst at work. As such training is often employee funded, the financial benefits of the childcare subsidy would have no real effect on parents, and additionally as much training takes place during working hours, the childcare itself should make little difference.

## Income

During the interviews, parents were asked about their annual household income before the subsidy and now. These are displayed in figure seven below:

The graph clearly shows that, since using the childcare subsidy, the household incomes of the parents interviewed are distributed over a much wider range. Whereas, on application to the project, the vast majority of households received under £12,499 per year, current incomes are spread much more evenly up to £19,999, with four households, rather than two earning more than £22,499. Of the 17 parents who provided information on income, thirteen (76 per cent) had seen their household income rise since using the subsidised place, with four (24 per cent) seeing no change. No parents reported a fall in household income over this period.



## **Determining the 'SRB effect'**

The findings outlined above demonstrate that since being granted the subsidised places, 43 per cent of the parents have received training, the number in employment has increased, and household incomes have also risen. Although the SRB funded nursery subsidy aimed to have this effect, it may not necessarily be the sole cause.

The period since the Nursery subsidy began in 1996 has been one of economic growth. In addition both the Lea Bridge area and East London as a whole, has been the target of regeneration funding, through the Lea Bridge Gateway SRB and other initiatives. As a result any analysis of household income or employment would expect to see some increase or improvement.

It is difficult to determine to what extent the SRB funded nursery places have been the cause of the improvements in the economic position seen in this sample. Without the benefit of a control group of similar local parents with which to compare, and the necessary increase in research budget this would entail, this cannot be done quantitatively. As a proxy for such information, this research relies on the qualitative judgements and opinions of the parents in the sample.

## **Opinions of parents**

During the interviews, parents were asked a number of questions to determine what they thought had caused the changes in their financial position.

Thirteen parents (61 per cent) reported that, before the childcare subsidy, childcare had been a barrier to them getting, or keeping, a job. Ten parents (48 per cent) also reported that in the past they would have liked to train or continue into further education, but had been restricted from doing so by childcare constraints. Of the twelve who worked during the period of childcare subsidy, eight (66 per cent) said they would have been unable to hold down this job without the assistance provided.

These findings show that a good proportion of this sample were constrained by their childcare needs, both in terms of work and training, prior to the childcare subsidy. That these proportions are not as high as they might be confirms the points made earlier in this evaluation about the targeting of the project to those parents most in need.

Seventeen parents (81 per cent) thought that the project had helped them improve their job prospects. Another 17 credited the project with helping them improve their income. Two other parents thought the project would help them improve their household income in the future (when they had finished training), giving nineteen

parents (90 per cent) who felt the project had, or would eventually have, helped them to increase their household income.

These higher percentages suggest that the project did indeed have a positive impact on those individuals granted the subsidised places. These qualitative judgements from parents are the best measure we have to judge the 'SRB effect', but with over four fifths of parents agreeing, the project must have had some effect on both income and job prospects.

#### **4.6 Long term impact**

It is one requirement of SRB projects that they have an exit strategy to ensure the area does not revert back to the pre-intervention position when the project funding comes to an end.

The exit strategy for the targeted nursery project consisted of three strands. Firstly it was hoped that the Nashluck/Bright Stars nursery would still be operational, thus providing long term childcare in the area. Secondly, the number of childcare places dropped by 50 per cent in year five to allow for a gradual phase out of these subsidies. Thirdly the council hoped to secure money from other funding sources such as the National Lottery for additional subsidised places in the area.

#### **Evaluation of the exit strategy**

With the closure of Bright Stars nursery, and with no new operator in place to date, the project has failed to provide a long term childcare facility on the area. The phasing out of places occurred (somewhat abruptly, again due to the closure of the nursery), but these have not yet been replaced by any subsidies from other sources.

With the arrival of new childcare support from central government, in the form of the Working Families' Tax Credit, there may be a reduced need for nursery vouchers, but discussion during the interviews with parents revealed very little knowledge of these benefits. On the basis of this sample it does appear that there is a need to raise awareness of these alternative means of support for parents in the Lea Bridge area.

#### **Current priorities for the area**

There is clearly still a need for the low cost, high quality childcare, as promised by the Bright Stars nursery. Thirteen parents, 62 per cent of those interviewed, describing childcare in the Lea Bridge area as 'difficult to find and expensive'.

Analysis of the comments made by parents about priorities for Lea Bridge show that the most commonly perceived problems relate to childcare in the area:

Areas of priority reported by parents	Frequency
Childcare facilities and subsidies	14
Roads/Traffic	5
Facilities for young people	4
Environmental Factors	4
Crime	3
Public Transport Facilities	1
Low cost housing	1
Banks	1

*(Parents could report as many problems as they wished, hence the total frequency exceeds 21)*

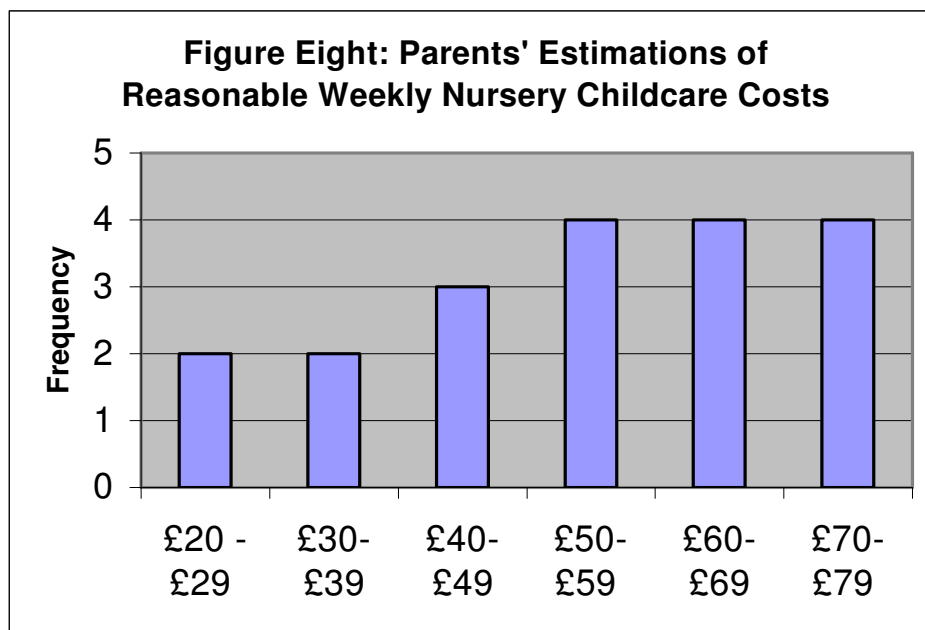
These comments show that parents see the provision of local nursery places as a major priority for the area. Without local facilities or subsidies remaining, parents feel that the childcare support provided by the project has simply disappeared, leaving nothing behind.

The subsidies themselves were always intended to be a short-term measure, with the 50 per cent decrease in year two to smooth the transition to paying full childcare costs. Additionally, after two years in nursery childcare, most children would be nearing the age to start school, and so the subsidy would cover the most expensive period for childcare, when it is needed for eight or nine hours a day.

This smooth transition may have been achieved but, with the closure of both the Bright Stars nursery and the after-school club for older children, the lack of affordable childcare in the area has made this difficult for parents.

### *Possible solutions*

The parents interviewed for this evaluation were all willing to make a payment for their childcare costs, but many expressed the opinion that the typical commercial rates of childcare, often in excess of £100 per week, were too expensive. Nineteen interviewees gave what they considered to be a reasonable amount they would wish to pay for a week of nursery childcare and these are shown in figure eight. As the graph overleaf shows, most parents suggest that around £50-£79 would be an affordable sum to pay for their weekly childcare costs.



Were money to become available in future for childcare in Lea Bridge, it may prove effective to investigate the possibility of providing a subsidised nursery, rather than nursery place subsidies for the area. In other local SRB-funded projects this policy has been pursued, for example in the South Leytonstone SRB a nursery facility has been built. It may be that the Bright Stars building could be utilised, given that it has planning permission to extend and was generally thought adequate by parents, though another venue with a playground may prove more suitable and popular.

If a building were provided by the council rent free, or at a reduced rent, it would be probable that a contractor could be brought in to provide places for local residents and workers at a rate close to the range proposed by parents. The council subsidy, in terms of the rent on the building, would thus be distributed to parents in the area in terms of cheaper childcare at this facility. If this 'subsidy' were to be targeted, the rate charged could be varied according to personal circumstances. In this way the council could provide a lasting local childcare facility and long term subsidised places for the area, rather than the short term intervention this project became. In addition the capital investment could be retained, and should the contractor fail to perform to the required standard, they could be replaced quickly without the problems that befell the Bright Stars Nursery.

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## 5 CONCLUSIONS

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### 5.1 Impact on employment and training

The findings described in the previous section may be derived from a small sample of only 21 individuals, but it is important to note that this constitutes a third of all those who used the subsidy. As a result we can assume that the trends found within this sample are unlikely to differ dramatically from those experienced by all those who used the subsidised places.

We have seen that, on an individual level, household income has improved, and that parents credit the project with assisting in this. We have also seen that more parents have moved into employment, again with a high proportion reporting that the project has helped their job prospects. Just under half the sample also received training during their time on the subsidised places.

In addition we have seen that 66 per cent of those working during the subsidy would have been unable to keep their job if not for the subsidy, again showing a positive impact.

It seems the project provided a useful service, in a good quality nursery, and certainly had clear benefits for most of the 21 parents interviewed. It is likely that similar benefits would be seen from a study of all 60 families that benefited.

Although these figures do show a positive impact on the individual, our sample of 21 parents shows only three new parents in employment since the start of the programme. With such small changes, and only 60 families affected by the whole project, there would be very little impact on overall levels of unemployment for the area. Equally with figures for training, even if 30 of the 60 parents using the subsidies were to receive training in new skills, this would have a limited effect on the skill levels of the overall local population of 5,000 individuals.

### 5.2 Problems with targeting and long term impact

The project seems to have been weak in two areas. Firstly in the targeting of parents to the scheme, and secondly in terms of creating a long-term impact.

#### Targeting

The findings from the research suggest that the project did not maximise its potential impact through targeting the groups most at risk. The individuals accessing the

scheme were not from the most deprived sector of the Lea Bridge community that the project hoped to reach. In terms of targeting the project, a more comprehensive application form, and better advertising may have enabled the project to assist more individuals who were at risk of the poverty trap.

Some simple changes may have had a real impact. For example the project should have been accessible to those who did not yet have an offer of employment. Such individuals could then hold some kind of 'ticket' to childcare for when they get employment, or could use the childcare whilst they look for work. In this way more local people could have been helped into jobs, and a greater impact on local unemployment figures could have been achieved.

### **Long-term impact**

With the end of the five-year SRB subsidy, the childcare situation in Lea Bridge has been left very much unchanged from that when the project began. Although new government provision such as the Working Families Tax Credit provides some assistance, this may prove to be of little use if childcare in the area is hard to find and expensive as parents report.

Clearly the primary reason for this situation is the unexpected closure of the Bright Stars nursery, but the long-term provision offered by the project must be questioned. Relying solely on one private enterprise to continue to provide childcare benefits to the area leaves little scope for alternative measures should something go wrong within that organisation.

With this in mind, any future childcare developments in the area should consider working to provide a lasting childcare facility that will continue to provide benefits beyond the duration of the project. If this is achieved, and with the possibility of targeted benefits distributed through this facility, it is possible that the positive impact achieved for individuals through the Targeted Nursery Childcare project could be extended over a longer period of time.



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